

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:7529
ANSWERED ON:16.05.2002
SHORTFALL IN THE PROFIT OF NTPC
VILAS BABURAO MUTTEMWAR

Will the Minister of POWER be pleased to state:

- (a) whether the profit of the National Thermal Power Corporation (NTPC) during the year 2001-2002 has been reduced considerably as against the projected net profit for the year at Rs.3900 crores;
- (b) if so, the actual profit made and the reasons for shortfall; and
- (c) the steps have been taken to improve the financial position of NTPC?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA)

(a) to (c) : The Net Profit after Tax for the year 2000-01 as per audited accounts was Rs.3733.80 crores. Central Electricity Regulatory Commission (CERC) has come up with Tariff norms applicable for power generated by NTPC w.e.f. 1.4.2001. As per these norms, the revenue of NTPC during 2001-02 is expected to be lower than what it was earlier. Pending determination of tariff by CERC for the Stations of NTPC w.e.f. 1.4.2001, the billing is being done by NTPC on provisional basis as per pre-existing tariff notification as permitted by CERC subject to retrospective adjustment. As per these tariff notifications the net profit is provisionally estimated to be Rs.3916.77 crores for the year 2001-02. The net profit as per CERC norms is estimated to be of the order of Rs.3579.65 crores for the year 2001-02.